Form (2)

1556-P

11.11.2015

THE REPUBLIC OF THE UNION OF MYANMAR

The Myanmar Investment Commission

PERMIT

Permit No. 1031/2015 Date 11th November 2015

This Permit is issued by the Myanmar Investment Commission according to the section 13, sub-section (b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter Mrs. Wu Qi

(b) Citizenship CHINESE

(c) Address 19F, CHENGDA BUILDING, NO.71 RENMIN ROAD, DALIAN, PEOPLE'S REPUBLIC OF CHINA

(d) Name and Address of Principal Organization

(e) Place of incorporation

(f) Type of Investment business MANUFACTURING OF GARMENTS ON CMP BASIS

(g) Place(s) at which investment is permitted PLOT NO.229, MYAY TAING BLOCK NO.2, HLAING THAR YAR INDUSTRIAL ZONE, HLAING THAR YAR TOWNSHIP, YANGON REGION

(h) Amount of Foreign Capital US $ 1.423 MILLION

(i) Period for Foreign Capital brought in WITHIN ONE YEAR FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US $ 1.423 MILLION

(k) Construction period 18 MONTHS

(l) Validity of investment permit 20 YEARS

(m) Form of investment WHOLLY FOREIGN OWNED INVESTMENT

(n) Name of Company incorporated in Myanmar MYANMAR LONGSHENG FASHION CO., LTD.

11/11

Chairman

The Myanmar Investment Commission

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်
ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၁၀၃၁/၂၀၁၅ ၂၀၁၅ ခုနှစ်၊ နိုဝင်ဘာလ ၁၁ ရက်

ပြည်ထောင်စုသမ္မတ မြန်မာနိုင်ငံတော်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေ ပုဒ်မ ၁၃ပုဒ်မခွဲ(ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ရင်းနှီးမြှုပ်နှံသူ/ကမကထပြုသူအမည် Mrs. Wu, Qi

(ခ) နိုင်ငံသား CHINESE

(ဂ) နေရပ်လိပ်စာ 19F, CHENGDA BUILDING, NO.71 RENMIN ROAD, DALIAN, PEOPLE'S REPUBLIC OF CHINA

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ

(င) ဖွဲ့စည်းရာအရပ်

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား CMPစနစ်ဖြင့် အထည်ချုပ်လုပ်ခြင်းလုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) မြေကွက်အမှတ်(၂၂၉)၊မြေတိုင်းရပ်ကွက်အမှတ်အပိုင်း(၂)၊ လှိုင်သာယာစက်မှုဇုန်၊ လှိုင်သာယာမြို့နယ်၊ရန်ကုန်တိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း ပမာဏ အမေရိကန်ဒေါ်လာ ၁.၄၂၃ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင်ခွင့်ပြုမိန့်ရရှိပြီး (၁)နှစ်အတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၁.၄၂၃ သန်း နှင့်ညီမျှသောမြန်မာကျပ်ငွေ

(ဋ) တည်ဆောက်မှုကာလ ၁၈ လ

(ဌ) ရင်းနှီးမြှုပ်နှံမှုခွင့်ပြုသည့် သက်တမ်း ၂၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ရာခိုင်နှုန်းပြည့်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင်ဖွဲ့စည်းမည့်ကုမ္ပဏီအမည် MYANMAR LONGSHENG FASHION CO.,LTD.

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

1556-p
11.11.2015

THE REPUBLIC OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

No.(1), Thitsar Road ,Yankin ,Yangon

Our ref : DICA-3/FI-1243/2015(1556-p) Tel: 01-658128

Date : 11 November 2015 Fax: 01-658141

Subject: **Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing of Garments on CMP Basis" under the name of "Myanmar Longsheng Fashion Co., Ltd."**

Reference: Myanmar Longsheng Fashion Co., Ltd. Letter dated (18-8-2015)

1. The Myanmar Investment Commission, at its meeting (18/2015) held on (23-10-2015), had approved the proposal that for investment in "Manufacturing of Garments on CMP Basis" under the name of "Myanmar Longsheng Fashion Co., Ltd." submitted by Mrs.Wu Qi (80%)and Mr. Yunru He (20%) from People's Republic of China as a wholly foreign owned investment.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to Foreign Investment Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 20(ten) years and extendable 5 (five) years in 2(two) times commencing from the date of the issuance of Myanmar Investment Commission's Permit. The term of the Lease Agreement for land and building shall be initial 20(ten) years and extendable 10 (ten) years in 1(one) time from the date of signing of this agreement between U Aung Than, U Aung Myint (Lessors) and Myanmar Longsheng Fashion Co., Ltd.(Lessee). The lease period may be extended for a further period with the consent of both parties and the approval from Myanmar Investment Commission. After the termination of the Lease Agreement, Lessee shall transfer the leased land and building to the Lessor within 3 (three) months in good condition, ground damages having been refilled and repaired.

4. The annual rent for the land shall be US $ 42,038 .78(United States Dollar fourty-two thousand and thirty eight and seventy eight cents only) of the total area of land measuring 1.484 acres (6005.54 square meters). The rate of rent shall be revised after every 5(five) years and increase of the rent shall not be more than 5% of the preceding annual rent.

5. In issuing this "Permit," the Commission has granted the following exemptions and reliefs as per Chapter XII, section 27(a), (h), (i) and (k) of Foreign

Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section 27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial production;

(b) As per section 27(h), exemption or relief from customs duty or other internal taxes or both on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which are imported as they are actually required for use during the period of construction of business;

(c) As per section 27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section 27(k), exemption or relief from commercial tax on the goods produced for export.

6. Myanmar Longsheng Fashion Co., Ltd. shall have to sign the Lease Agreement for land and building with U Aung Than and U Aung Myint. After signing the Agreement, (5) copies of the said Agreement shall have to be forwarded to the Commission.

7. Myanmar Longsheng Fashion Co., Ltd. in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation, Memorandum of Association and Articles of Association shall have to be forwarded to the Commission.

8. Myanmar Longsheng Fashion Co., Ltd. shall use its best efforts for timely realization of work stated on the proposal. If none of such work has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

9. Myanmar Longsheng Fashion Co., Ltd. has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of construction period shall not be allowed more than twice except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules, if the Myanmar Longsheng Fashion Co., Ltd. cannot construct completely in time the construction period

or extension period, the Commission will have to terminate the permit issued to the investor and there is no refund for the expenses of the project.

12. The commercial date of operation shall be reported to the Commission.

13. Myanmar Longsheng Fashion Co., Ltd. shall endeavour to meet the targets for production and export stated on the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal and also in accordance with Chapter XI, section 24 and section 25 of Foreign Investment Law and Myanmar Longsheng Fashion Co., Ltd. has to follow the existing Labour Laws for the recruitment of staffs and labours in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

15. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rule 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under Chapter I, section 2(i) of the Foreign Investment Law, other than foreign currency.

16. Whenever Myanmar Longsheng Fashion Co., Ltd. brings in foreign capital defined under Chapter I, section 2(i) of the Foreign Investment Law, other than foreign currency in the manner of paragraph 15(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. Myanmar Longsheng Fashion Co., Ltd. has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 of the Foreign Investment Rules and for account transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the Union and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of a citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

18. Myanmar Longsheng Fashion Co., Ltd. shall report to the Commission for any alteration in the physical and financial plan of the project. Cost over run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. Myanmar Longsheng Fashion Co., Ltd. shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity.It has to prepare, submit and perform activities in accordance with EMP and abide by the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

20. After getting permit from Myanmar Investment Commission, Myanmar Longsheng Fashion Co., Ltd. shall have to be registered at the Directorate of Industrial Supervision and Inspection.

21. Myanmar Longsheng Fashion Co., Ltd. shall have to abide by the Fire Services Department's rules, regulations, directives and instructions. Moreover, fire prevention measures shall have to be undertaken such as water storage tank, fire extinguishers and provide training to use the fire fighting equipment and also to be appointted the fire safety officer.

22. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc., shall only be made from export earning (CMP charges) of Myanmar Longsheng Fashion Co., Ltd.

23. Myanmar Longsheng Fashion Co., Ltd. in consultation with Myanma Insurance shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.

(Zay Yar Aung)
Chairman

Myanmar Longsheng Fashion Co., Ltd.

cc: 1. Office of the Government of the Republic of the Union of Myanmar
2. Ministry of Home Affairs
3. Ministry of Foreign Affairs
4. Ministry of Environmental Conservation and Forestry
5. Ministry of Electric Power